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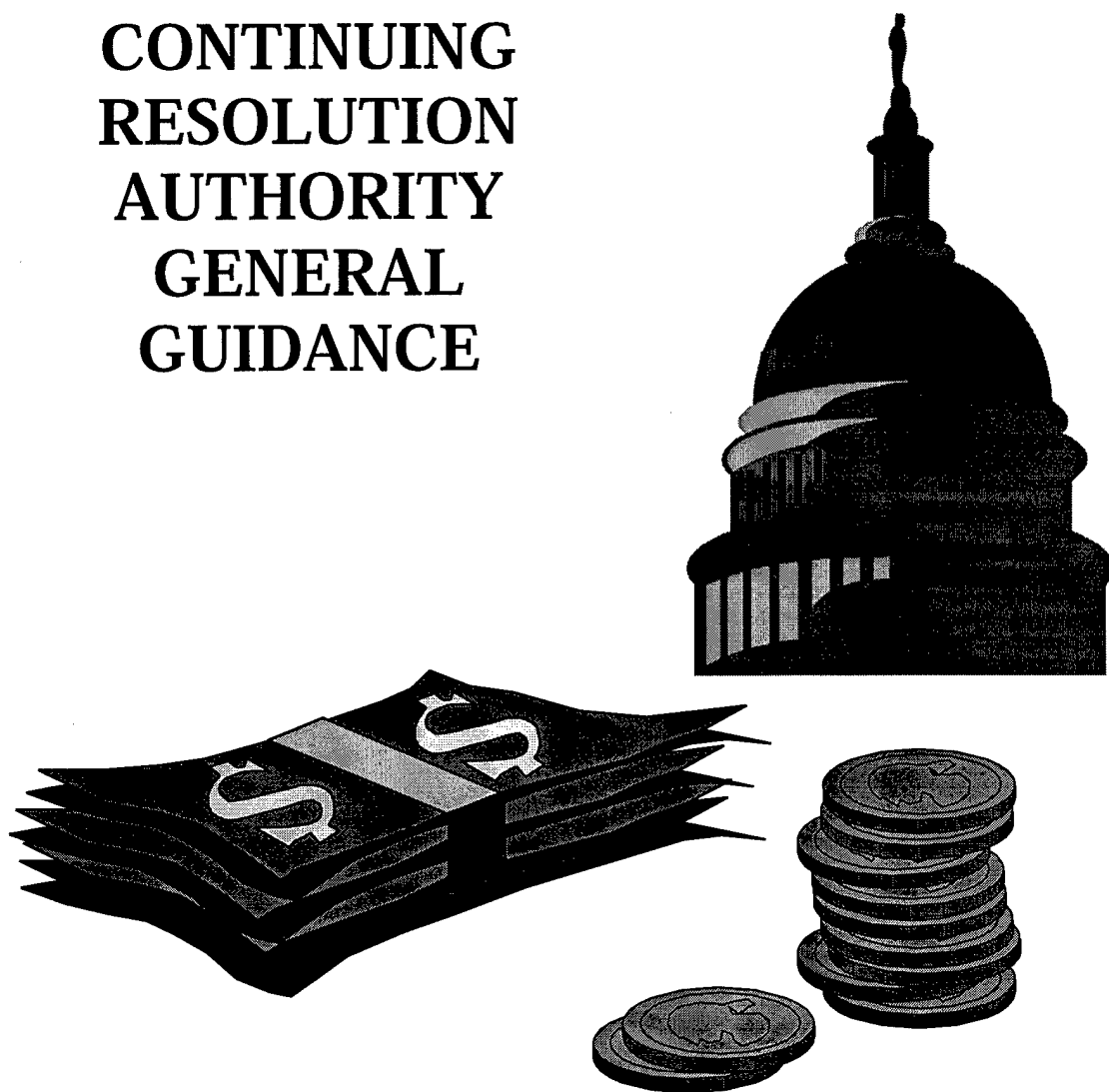
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**CONTINUING  
RESOLUTION  
AUTHORITY  
GENERAL  
GUIDANCE**



**OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY  
(FINANCIAL MANAGEMENT & COMPTROLLER)  
SAFM-BUC-E**

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CONTINUING RESOLUTION AUTHORITY  
GENERAL GUIDANCE

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CONTINUING RESOLUTION AUTHORITY  
GENERAL GUIDANCE

CHAPTER 1 -- INTRODUCTION

1. General.

a. Provisions of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 94-344) require that the Congress and the President enact appropriations which provide funding for federal agencies to operate in a new fiscal year by October 1, the first day of the new year. The federal government operates under a total of 13 appropriations acts. Historically, enactment of some or all of these acts has often been delayed well beyond this date.

b. In the event that appropriations are not enacted by October 1, one of two scenarios is in effect:

(1) The Congress passes and the President signs into law a Continuing Resolution Authority (CRA) which provides budget authority to federal agencies to continue operations for a specified length of time, or until regular appropriations are enacted.

(2) A "funding gap" exists when neither appropriations nor a continuing resolution has been enacted by October 1 (or the expiration date of the previous CRA).

c. The Department of Defense (DoD) operates under two appropriations acts. The DoD Appropriations Act provides funding for military personnel, operation and maintenance, procurement, research, development, test and evaluation, and other miscellaneous appropriations. The Military Construction Appropriations Act provides funding for the military construction and family housing construction and operations appropriations.

d. The DoD and Military Construction acts are normally enacted at separate times; often, Military Construction appropriations are enacted prior to DoD appropriations. It is, therefore, conceivable that the Military Construction appropriations could operate under a normal appropriations act while the other DoD appropriations would still operate under the restrictions of a CRA, or vice versa.

e. The Department of Defense Authorization Act incorporates both the DoD and Military Construction appropriations, and provides authority to execute the programs specified therein. The authorization act differs from the appropriations acts in that it authorizes the execution of programs, while the appropriations acts provide the funding for those programs. Enactment of authorizations is not directly related to enactment of appropriations, or to the enactment of a CRA, but the status of the authorization act may affect operations under either scenario. Often the authorization act is not enacted until after the DoD and Military Construction Appropriations Acts are signed into law. In that instance, execution may still be severely restricted for many appropriations, even if they are no longer under CRA, because certain programs may not have been authorized.

2. Purpose. The purpose of this guidance is to delineate standard policies and procedures for operations under a CRA, as well as in the absence of appropriations or a CRA, and to address implementation of operations upon enactment of appropriations.

3. Responsibilities and Applicability. This guidance is applicable to all Army components that administer Army Appropriations and DoD Appropriations for which the Army is the Executive Agent. The Office of the Assistant Secretary of the Army (Financial Management and Comptroller) (ASA(FM&C)), Management and Control Directorate, Budget Execution, Policy and Funds Control Division (SAFM-BUC-E) is responsible for Army guidance under a CRA. This guidance and future changes will be posted on the ASA(FM&C) Homepage.

4. Sources of Guidance. Additional guidance is contained in DFAS-IN Regulation 37-1, Finance and Accounting Policy Implementation (15 Sep 95).

## CHAPTER 2 -- RULES FOR OPERATION UNDER CRA

### 1. General.

a. A CRA is an interim appropriation, enacted to provide authority for specific ongoing activities in the event that regular appropriations have not been enacted by the beginning of the fiscal year or the expiration of the previous CRA. A CRA has a fixed life and provides the authority necessary to allow operations to continue in the absence of appropriations. A CRA remains in effect until --

- (1) enactment into law of a regular appropriations act;
- (2) enactment of another CRA; or
- (3) a fixed cutoff date as stated in the CRA.

b. A CRA may be enacted for any length of time, from one day to an entire fiscal year. The prerogative for determining the length of a CRA rests with the Congress, and is often influenced by political factors.

(1) A short-term CRA (for less than the remainder of the fiscal year) differs from an appropriations act in that while an appropriations act appropriates specified amounts, a CRA generally appropriates "such amounts as may be necessary" for continuing operations in support of projects or activities at a rate of obligation not in excess of the previous year's rate, the rate requested in the President's budget, or the rate provided in congressional appropriations committee marks, whichever is the lowest or most restrictive. The Congress has the prerogative to set dollar thresholds or formulae for calculation of apportioned amounts for a short-term CRA which may differ from the lowest or most restrictive level.

(2) A yearlong CRA is generally considered the same as an appropriations act, has the same effect as an appropriations act and incorporates all pending appropriations. A yearlong CRA normally appropriates specified sums. Funds are issued and controlled using the same procedures as if appropriations had been enacted. Obligation and disbursement rules are generally the same as for operations under an appropriations act, but are impacted by any restrictive language that may be contained in the CRA.

c. A CRA authorizes continuation of operations while preserving congressional and Presidential prerogatives prior to enactment of appropriations. The intent of enacting a CRA is to restrict new activities pending final decisions contained in an appropriations act. A CRA normally imposes the following restrictions:

(1) Rate of execution generally will not exceed the amount contained in the President's budget, the previous year's rate of execution, or the amount recommended by the House and Senate Appropriations Committees, whichever is the lowest or most restrictive (provides less discretion in obligating and disbursing funds).

(2) No new starts may be initiated.

(3) No increase in scope of ongoing programs is permitted.

(4) No new multiyear procurements are permitted.

### 2. Army Operations Under CRA.

a. Prior to the start of the fiscal year, initial CRA guidance will be issued by HQDA to Army staff appropriation sponsors/managers for preparation and submission of apportionment requirements for operations under the restrictions of a CRA, with full justification. This information, in conjunction with historical obligation data, will be used to obtain the maximum apportionment possible.

b. For most DoD accounts for which Army is executive agent, funding is provided by Washington Headquarters Services (WHS) via funding documents which are loaded into PBAS. Requirements for apportionment under CRA for these accounts should be forwarded directly to the OSD office which issues the funds, with information copies only provided to the Army Budget Office. Appropriations funded by WHS include NATO Infrastructure, Homeowners Assistance Fund, Claims, Retired Pay Trust Fund, Section 6 Schools, Chemical Munitions and Destruction, Port Handling/Inland Transportation, Strategic Defense Initiative, Family Advocacy, MILCON Defense, and MILCON Defense Medical Activities.

c. The Program Budget Accounting System (PBAS) will be loaded with funding targets prior to the start of the new year. These targets are provided for planning purposes only. Neither obligations nor disbursements are permitted until a CRA or appropriations are enacted. Once a CRA is enacted and the apportionment letter is received from OMB, the amounts in PBAS will be adjusted to the actual apportioned amounts. Therefore, managers should exercise care in planning execution, bearing in mind that the initial funding targets provided may be adjusted. Upon enactment of a CRA, the field may obligate and disburse funds up to the amounts provided as allocation in PBAS, for the duration of the CRA.

d. Messages will be released to the field beginning in late August, providing initial CRA guidance. All messages addressing operations during a CRA period will be issued by the Army Budget Office and will be sequentially numbered.

e. As the fiscal year comes to a close, messages providing the current status of a CRA or appropriations acts will be released as events warrant. The messages will include operating guidance in light of the current status. This information will also be made available on the World Wide Web on the ASA(FM) homepage. For Eighth U.S. Army the fiscal year begins one day before it does for CONUS, due to the date and time differences resulting from the International Date Line. Frequently there is no action on a CRA or appropriations act prior to the close of the year. Messages will be released one day before the close of the year (or the end of the previous CRA) updating the current status of CRA or the appropriations act and providing guidance based on the current situation. Subsequent status messages will be released as events warrant.

f. Congressionally proposed changes to rules of operation, definitions, new starts, expansion of existing programs, or other changes which are to be included in the new year's appropriations or authorization acts will not be in effect under CRA, unless such changes are specifically addressed in the language of the CRA. The purpose of a CRA is to restrict operations to the previous year's rate. Thus, operations will be conducted using the guidance that was in effect for the previous year. For example, the FY86 DoD Appropriations Act included a change to the definition of the O&M accounts which revised the rules for non-centrally managed items. However, the change was not in effect during the initial CRA periods of FY86. The change became effective upon enactment of the final appropriations act.

### 3. Execution of New Funds. CRA restrictions apply to DoD appropriation categories as follows:

#### a. Military Personnel Appropriations.

(1) Continuation of normal operations is authorized. Execution of specific programs is at the discretion of the appropriation sponsor, within CRA restrictions.

(2) New starts for Military Personnel include new entitlements and new recruitment bonuses, which were not approved in previous legislation, and are not permitted. An example of a new start is the payment of adoption expenses approved for the first time in FY89.

(3) The payment of discretionary pays approved under existing legislation or under subsequently enacted legislation is considered an ongoing program and as such will not be increased in scope or amount. Military Personnel bonus extensions that would otherwise expire cannot be continued until enactment of approving legislation.

b. Operation and Maintenance (O&M) Appropriations (to include Family Housing Operations).

(1) Continuation of normal operations is authorized. Obligations may be incurred for essential operating expenses, including expenses to cover annual contracts which are regularly awarded and obligated in full at the beginning of the fiscal year. Execution of specific programs is at the discretion of the appropriation sponsor, within CRA restrictions.

(2) Modifications to O&M programs are generally permitted; they are not considered new starts or scope increases as they do not change the overall purpose of the program. O&M-funded minor construction is not considered a new start and is permitted. An example of an increase in scope of an ongoing program which would not be permitted under CRA is the inception of the National Training Center, which was initiated as a new phase of the Army's training program.

c. Procurement and Research, Development, Test and Evaluation (RDTE) Appropriations.

(1) Generally, a CRA allows previously approved programs to be released at rates sustained during the previous fiscal year. Execution of specific programs is at the discretion of the appropriation sponsor, within CRA restrictions.

(2) New start restrictions apply to the execution of new investment items not funded for production in the previous fiscal year. Items for which funding was provided in the previous year, or for which funding was provided in prior years and is still available for obligation (e.g., procurement items funded one or two years ago) are not considered new starts. New start restrictions are applicable at the DoD level, not at the Service level (e.g., if Army intends to begin procurement of a piece of equipment already being procured by another DoD Service or agency, this would not be considered a new start for Army). An increase in production rates above those sustained in the previous fiscal year is considered an increase in scope of an ongoing program and is not generally permitted. New multiyear procurements, utilizing advance procurement funding for economic order quantity procurement, will not be initiated.

(3) New investment items which are not permitted under CRA are defined as follows: For the procurement appropriations, a new P-1 budget line item or new projects within an existing P-1 line item; for RDTE, a new R-1 budget line item which includes a program element and subprogram element or new projects within an existing R-1 line item.

d. Military Construction Appropriations.

(1) Any project or activity for which an appropriation, fund, or other authority was not provided during the previous fiscal year is considered a new start and will not be initiated under CRA. For the Family Housing Construction appropriation, housing improvements are considered new starts because they are based on a project list contained in the budget request. Minor construction funded with Military Construction funds is considered a new start and may not be initiated under CRA. Planning and design is not considered a new start. Therefore, in general, only planning and design funds may be executed under CRA.

(2) The restriction on expansion of ongoing projects does not apply to Military Construction.

e. Revolving Funds.

(1) Revolving funds, or "no-year" appropriations, are generally appropriated and authorized by the Congress only at their inception, and funds are made available "until expended." These accounts normally generate revenue through sales, collections or other means. They are designed to be "self-supporting", operating on unobligated balances carried forward and new revenue generated. These appropriations are not newly appropriated each year once they have been implemented. For this reason, they are not affected by CRA restrictions.

(2) Revolving funds are normally apportioned by Army request prior to the start of the new fiscal year. The initial apportioned amount is generally the estimated unobligated balance carryover, plus any anticipated revenue to be earned in the new fiscal year. Revolving funds for which Army prepares apportionment requests include the Conventional Ammunition Working Capital Fund; Wildlife Conservation, Military Reservations, Army; and the National Science Center.

(3) Cemeterial Expenses, Army is the only Army revolving fund which does not fall under DoD; rather, it is a Civil Works account under the authority of the Department of Veterans Affairs. However, when the Department of Veterans Affairs is operating under CRA restrictions, the Army has the responsibility of providing funding for Cemeterial Expenses. Once appropriations are enacted for Veterans Affairs, responsibility for requesting apportionment is no longer borne by the Army Budget Office, but is prepared and submitted to OMB by Arlington National Cemetery.

4. Execution of Prior Year Unexpired Funds. Prior year unexpired funds of multiyear appropriations are not impacted by CRA restrictions. Only new appropriations are affected. Prior year unobligated balances are apportioned in full at the beginning of the new fiscal year by OMB letter, and are immediately available for obligation and disbursement. Prior year funds may be obligated under CRA without restriction, for the same purposes for which the funds were originally appropriated.

5. Issuance and Control of Funds.

a. Before funding is issued under a CRA, both obligation authority and disbursement authority must be made available.

(1) Obligation Authority. Apportionment of funds, which provides the authority to obligate, must be provided by OMB. During a CRA period, the normal apportionment process is suspended. Once the length of the CRA is known, OSD and OMB work together to develop initial apportionment levels for each appropriation for the duration of the CRA. The formula used to compute the apportionment level is dictated by the language contained in the CRA. Normally this computation uses a baseline for each appropriation which is the lowest of: the President's budget submission, Congressional committee marks, or the previous year's total execution level. The baseline is then used to calculate the lower of: a straight-line percentage of the previous year's operating rate (number of days' duration of the CRA divided by 365 or 366); or the seasonal rate of operations (based on the rate of operations for the same period in the previous fiscal year). The initial apportionment is provided by OMB letter at the start of the CRA period. Requests for apportionment in excess of the computed level (with full justification for the increase which considers both commitment and obligation requirements) are solicited by HQDA from the appropriation sponsors prior to the beginning of the fiscal year and, if required, are submitted to DoD(C) and OMB. OMB will provide additional apportionment via letter if the request is approved. In the event that a subsequent CRA is enacted, OSD and OMB will again develop apportionments for the CRA period based on the language contained in the new CRA, and OMB will provide them via letter. Again, if additional apportionment is required, it must be fully justified and provided to HQDA for submission to OSD and OMB for review and approval.

(2) Disbursement Authority. An appropriation warrant, which is issued by the Treasury Department, provides the authority to disburse obligated funds. Upon enactment of an initial CRA at the start of the fiscal year, HQDA forwards to Treasury a request for a temporary appropriation warrant for all new appropriations, for either the amount contained in the President's budget, the previous year's rate of execution, or the amount recommended by the House and Senate Appropriations Committees, whichever is lowest. Treasury provides a temporary appropriation warrant for the fiscal year based on Army's request. The temporary warrant provides disbursement authority for the entire fiscal year, or until appropriations are enacted and a final warrant reflecting the appropriated amounts is executed.

(3) Program Authority. Program release documents are issued by DoD(C) and provide the authority to execute specified programs. However, program release documents are not normally issued until appropriations have been enacted. Under CRA, appropriation sponsors determine which programs are to be



executed, and to what level they will be funded. In general, in addition to those programs which are prohibited by CRA restrictions, any programs which are of special Congressional interest or are in contention in the Congressional approval process will be executed only at a restricted level.

b. It should be noted that while disbursement authority is provided for the full fiscal year (subject to adjustment upon enactment of final legislation), obligation authority is provided only for the duration of the CRA. The question of the extent to which approved programs will be executed under CRA is left to the Army, based on the limited apportionment provided. For example, in the O&M appropriations, annual contracts may be awarded to cover routine expenses for operations. However, limited obligation authority may require the award of incremental contracts until sufficient obligation authority is available.

c. PBAS is loaded with funding targets prior to the start of the new fiscal year. The target amounts are developed using the estimated CRA baseline for each appropriation, and provide authority based on the projected length of the initial CRA period. The targets are not subject to provisions of 31 U.S.C. 1517, the Anti-Deficiency Act, until a CRA is enacted and formal apportionment is made by OMB. Once OMB apportions funds, the amounts loaded will be adjusted (upward or downward) based on the apportionments provided by OMB. At that point the previously provided targets are considered formal subdivisions of funds and are subject to the provisions of the Anti-Deficiency Act. Funding levels will also be adjusted if subsequent interim CRAs are enacted, dependent upon the amounts apportioned by OMB.

#### 6. Obligation and Disbursement of Funds.

a. During a CRA, obligations may be incurred up to the amounts provided in PBAS for new appropriations, for the duration of the CRA. Obligations in excess of the amount apportioned by OMB could result in an Antideficiency Act violation. Disbursements may be made on obligations incurred during the current or previous CRA periods. For prior year appropriations, obligations and disbursements may continue to be incurred up to the amount of available obligation authority.

b. Obligor documents (such as travel orders, training request forms, or MIPRs) which are prepared and approved in advance of availability of funding must contain the statement "Subject to Availability of Funds" along with the fund citation. Obligations are permitted under this caveat. Disbursement of these funds is permitted.

c. Reimbursable authority is not affected by CRA restrictions and may be executed up to the amount of orders received. Funded reimbursable authority will be provided by HQDA and loaded into the PBAS system as required, up to the total amount requested for reimbursable authority in the President's budget.

#### 7. Special Rules.

a. Congressional Special Interest Items. Items which the Congressional committees have annotated as items of special Congressional interest may not be executed above the lowest committee mark. In addition, items which are still under debate in Congress may not be executed above the lowest committee mark.

b. Limitations. Congressionally imposed limitations which were in effect in the previous fiscal year may be executed under CRA, at the same rate as in the previous year. No new limitations may be initiated.

c. Items For Which Funds Have Been Denied by One Committee. The denial of funding by one committee for any item, pending final passage of the appropriations act, flags the program for potential termination. However, costs associated with terminating a program should not be incurred based solely on a single committee mark, when the possibility exists that the program will be funded in the final appropriations act. One committee's denial does not necessarily mean that the final act will deny funding. Termination procedures should not be implemented until the impact of the final appropriations act is known. Operations should be continued at a minimum rate to continue the program without expansion. Personnel and activity levels should be minimized to conduct only essential operations. In the event that the program is terminated in the final appropriations act, steps

should be taken to shut down the program immediately. If funding is provided for the program in the final act, operations may continue at the level approved in the act.

d. Initiations. An initiation is an unofficial administrative reservation of funds entered into memorandum accounts (versus formal commitments and obligations, which are recorded via official accounting procedures). It is used primarily in the procurement and RDTE appropriations to ensure that precommitment actions are included within the available funding authority during CRA periods. An initiation is an administrative reservation of funds based upon procurement directives, requests or equivalent instruments. It authorizes preliminary negotiation of procurement actions. Commitments and obligations recorded subsequent to an initiation action will be made after an official responsible for administrative control of funds has certified that sufficient funding authority is available to incur the commitment/obligation. Initiation authority is issued through the Investment Directorate of the Army Budget Office. Informal records must be maintained to ensure that the authority is not abused or exceeded.

e. Authority to Reprogram. Reprogramming, either below or above threshold, is not permitted during CRA. Reprogramming authorities will be granted after enactment of appropriations. Under CRA restrictions, funds may not be reprogrammed to the Services from DoD transfer accounts, such as the Drug Interdiction, Environmental Restoration, and Foreign Currency Fluctuation appropriations. Army appropriations serve as the carrier accounts for these requirements during the CRA period to allow operations to continue. OMB provides additional apportionment in the carrier accounts to provide for the Army counter-drug and environmental restoration programs requirements (but not for foreign currency requirements). For requirements for which additional apportionment is not provided, Army must utilize the carrier accounts to provide funding. Once normal reprogramming procedures have been established after enactment of appropriations, reprogrammings from the transfer accounts will be implemented.

## CHAPTER 3 -- RULES FOR OPERATION IN THE ABSENCE OF APPROPRIATIONS

1. General. When neither an appropriations act nor a CRA has been enacted a "funding gap" exists. In that situation, obligations are permitted only to conduct an orderly shutdown of operations, and disbursements may not be made, except as discussed in paragraph 2, below. Based on the Constitution ("No money shall be drawn from the Treasury, but in consequence of appropriations made by law...") it is technically illegal to disburse in the absence of appropriations.

2. Army Operations In the Absence of a CRA or Appropriations. In the event of a funding gap, the Deputy Secretary of Defense will decide when to implement OMB guidance concerning the continuation of agency operations in the absence of appropriations. It should be noted that the implementation of these procedures is a "last resort" which is delayed as long as possible. Army will initiate the OMB guidance once it is implemented for DoD.

a. OMB guidance concerning operations in the absence of appropriations directs that --

(1) Federal agencies will develop plans for operations in the absence of appropriations, which clearly define those activities that must be continued, and those that may be terminated, in the event of a government shutdown. Activities that must be continued are termed as "exempt" from shutdown procedures, and those functions and personnel that support those activities are also considered "exempt." "Exempt" activities are generally defined as those that must be continued in order to maintain national security or provide protection of life and property. DoD exempt and non-exempt activities are detailed in paragraph 8, below.

(2) Agencies will take steps to forestall interruptions to operations and ensure that they are in a position to limit their activities to those directly related to orderly shutdown of all nonessential activities.

(3) Prior to initiation of shutdown activities, agencies will reallocate to the extent permitted by law all available funds in order to forestall the fund interruption date as long as possible.

(4) When all available funds are exhausted, orderly shutdown activities must begin. Shutdown activities will be accomplished in a manner that will facilitate reactivation when funds are made available.

(5) Civilian employees paid from current year appropriations whose functions support non-exempt activities shall engage in orderly shutdown activities. These civilians will be furloughed in accordance with Federal civilian personnel processes; thus, all furloughs must be coordinated with the local civilian personnel office. Employees who support exempt activities shall not be furloughed, but shall continue to report to work. It should be noted that the furlough directive does not apply to employees covered by available prior year funds. Until furlough procedures are implemented, all civilian personnel shall continue to report to work.

(5) All military personnel shall continue to report for duty.

(6) Commanders and managers at all levels shall ensure that any action implementing this directive is not detrimental to national security and causes minimum disruption to efficient operations.

b. The determination of "exempt" and "non-exempt" activities is decided at the local commander's level. While this practice may result in a lack of uniformity in levels of exemption for different organizations performing similar missions, the intent is to allow maximum flexibility at the local level in execution, consistent with the overall intent of terminating operations. Commanders should carefully review their missions and functions in developing a shutdown plan, to ensure that operations are reduced to minimum levels required to perform exempt activities. Reduced staffing or functional levels may be appropriate even for exempt activities. Local commanders also have the flexibility to change the status of an activity as events warrant, and to expand or reduce staffing or functional levels as appropriate. For example, an activity initially classified as "non-exempt" may need to be reclassified if a funding gap continues for an extended period.

c. Upon enactment of a CRA or appropriations, steps will immediately be taken to reactivate all activities, and to reinstate normal payroll procedures for all military and civilian personnel from the date of enactment. All personnel should return to work upon enactment of appropriations or CRA. The CRA or appropriations act will usually include a provision that all personnel will be paid retroactively for the period of any funding gap which may have occurred.

### 3. Personnel and Payroll Policies.

a. Exempt and non-exempt civilian personnel. During a shutdown of DoD activities due to the absence of appropriations, only civilian personnel whose functions support exempt activities are to remain on duty. All civilians whose functions are determined to be "non-exempt" will be placed in a furlough status. Because no disbursements of any kind may be made during such a shutdown (with the exception of prior year available funds and applicable trust and revolving funds), "exempt" civilian personnel will receive no pay during the shutdown, although the pay earned will be provided upon termination of the shutdown. By the same token, all payments of benefits and allowances will be suspended; these will, however, accrue during the shutdown period and will be disbursed upon termination of the shutdown. "Non-exempt" personnel will be furloughed; that is, they will be placed in a "non-pay" status, during which time pay and benefits will not accrue. Furloughed personnel cannot expect to be paid retroactively for the time during which they were furloughed unless legislative relief is provided. It is incumbent upon Commanders to educate their personnel as to the potential effects of a shutdown on their personal financial situation and to ensure that personnel are given adequate warning so that they can make provisions to support themselves and their families during the period when their pay and benefits are suspended. Commanders should also actively work with local creditors and support agencies to minimize the disruption to Army personnel. All personnel must be proactive in working with creditors to reschedule debt repayments under these circumstances.

b. Timekeeping, payroll and leave for civilian employees. Non-exempt employees will be placed in a "non-pay" status. During the period of the furlough, they may not use leave or compensatory time, and pay and benefits will not accrue. Personnel classified as "exempt" will accrue salary and benefits during the shutdown period, and will be paid for that time upon termination of the shutdown. Exempt personnel may accrue overtime or compensatory time if their duties so require, and will be compensated for the time accrued upon termination of the shutdown. Personnel classified as "exempt" are so designated because they perform duties that support exempt activities. They cannot be spared from those duties, and therefore are not permitted to take leave or compensatory time while they remain on duty. Exempt personnel who must be away from their duty station (due to illness or emergency) will be placed in a furloughed status. They may subsequently return to duty and be removed from a furloughed status upon their return, at the discretion of the commander. The status of employees on leave at the time a shutdown occurs will depend on whether they are "exempt" or "non-exempt." Exempt employees must return to duty or be placed on furlough. They may return to duty and be removed from a furloughed status upon their return, at the discretion of the commander. Non-exempt employees will be removed from a leave status and will be placed on furlough. Notification of implementation of a shutdown, furlough of non-exempt employees, and recall to duty upon termination of the shutdown will be disseminated through official personnel and resource management channels.

c. Military personnel. During a shutdown of DoD activities due to the absence of appropriations, all active duty military personnel and all reservists on active duty are to remain on duty, although not necessarily performing their normal duty assignment. Because no disbursements of any kind may be made during such a shutdown (with the exception of prior year available funds and applicable trust and revolving funds), military personnel will receive no pay during the shutdown, although the pay earned will be provided upon termination of the shutdown. By the same token, all payments of benefits and allowances will be suspended; these will, however, accrue during the shutdown period and will be disbursed upon termination of the shutdown. It is incumbent upon Commanders to educate their personnel as to the potential effects of a shutdown on their personal financial situation and to ensure that personnel are given adequate warning so that they can make provisions to support themselves and their families during the period when their pay and benefits are suspended. Commanders should also actively work with local creditors and support agencies to minimize the disruption to Army personnel.

All personnel must be proactive in working with creditors to reschedule debt repayments under these circumstances. The key point that both the creditor and soldier should remember is that the pay and benefits are only suspended and that the soldier will eventually receive all pay and benefits earned. Because military personnel remain on active duty in a furlough situation, leave usage procedures will not change. Military personnel may be granted leave at the discretion of the commander.

#### 4. Execution of New Funds.

a. Obligation authority is granted to the extent that approved program has been released by HQDA for execution, at rates not exceeding the amounts apportioned under the most recent CRA. New obligation authority and program authority will not be released in the event of a funding gap.

b. Funded and automatic reimbursable orders may be accepted consistent with receipt of current year funded reimbursable authority. New reimbursable authority and program authority will not be provided in the event of a funding gap.

c. Disbursements are authorized only for liquidation of obligations incurred during previous CRA periods. Disbursements of obligations incurred during a funding gap are not authorized.

5. Execution of Prior Year Unexpired Funds. Prior year unexpired funds of multi-year appropriations are not impacted by the absence of new appropriations. Prior year unobligated balances are apportioned in full at the beginning of the new fiscal year by OMB letter, and are immediately available for obligation and disbursement. Prior year funds may be obligated without restriction, for the same purposes for which the funds were originally appropriated.

6. Issuance and Control of Funds. New obligation and program authority will not be issued in the absence of appropriations. Authority to obligate is limited to the amount loaded in PBAS during previous fiscal years or CRA periods. Disbursement authority will be available only for previously obligated funding.

#### 7. Obligation and Disbursement of Funds.

a. In the absence of appropriations, obligations may be incurred up to the amounts provided in PBAS during previous fiscal years or CRA periods. Obligations in excess of the amounts previously provided could result in an Antideficiency Act violation. Disbursements may be made on obligations incurred during previous fiscal years or CRA periods. For prior year appropriations, obligations and disbursements may continue to be incurred up to the amount of available obligation authority.

b. Pay of civilian employees. Obligations for civilian pay which is paid from current year appropriations are normally incurred by pay period. However, when the last day of the fiscal year or the previous CRA falls in the middle of a pay period, obligations are incurred only through the last day of fund availability. If an appropriations act or CRA is in place, obligation and disbursement of civilian pay is uninterrupted. In the event of a funding gap, disbursement is authorized only for that portion of the pay period which has been obligated (i.e., up to the end of the period of fund availability). A decision must be made to either split the payroll to disburse only the obligated portion of the pay period as a separate transaction, or to wait until an appropriations act or CRA is enacted and pay the entire pay period as a single transaction. The decision is made by the Defense Finance and Accounting Service (DFAS), and is delayed as long as possible. Once the decision is made, a message is released from DFAS-Indianapolis Center (DFAS-IN) Civilian Pay Policy providing special instructions to implement the split.

c. Pay of military personnel. Obligations for military pay are normally incurred in monthly increments. When the last day of a previous CRA falls in the middle of a pay period, obligations are incurred only through the last day of fund availability. If an appropriations act or CRA is in place, obligation and disbursement of military pay is uninterrupted. In the event of a funding gap, disbursement is authorized only for that portion of the pay period which has been obligated (i.e., up to the end of the period of fund availability). The decision to delay the military payroll is also made by DFAS. Mid-month payroll checks are prepared automatically prior to the actual

payday. Computer tapes, which are sent to Federal Reserve Banks and are used to credit military members' accounts, are also prepared in advance of the actual payday. The decisions to overpouch/overlabel military pay and to delay forwarding of the tapes to Federal Reserve Banks are delayed as long as possible. If mid-month pay must be delayed, DFAS will issue special instructions via message.

8. DoD Exempt and Non-Exempt Activities.

a. National security.

(1) Exempt activities.

(a) Units identified in and administrative, logistics and maintenance functions required to support Joint Staff contingency program major regional contingency tasking.

(b) Units and personnel tasked in direct support of the Single Integrated Operations Plan (SIOP).

(c) Activities and functions of the Combatant Commander's, Subordinate Component Commander's and Supporting Commander's headquarters and OSD, Joint Staff, Service and DoD Agency staffs necessary to ensure operations and maintenance integrity of essential C4I systems.

(d) Units and activities required to operate, maintain, assess and disseminate the collection of intelligence data necessary to support tactical and strategic indications, warning and supporting force enhancement roles.

(e) Forward based combat, combat support and combat service support units.

(f) Forward deployed units executing CJCS or CINC operations/deployment orders, those units in operational work-up status to execute those orders and those units and activities required in direct support of those tasks.

(g) Units and personnel supporting ongoing international treaties, commitments, essential peacetime engagement and counterdrug operations.

(h) Units and personnel preparing for or participating in operational exercises.

(i) Essential operational training necessary to execute operational, contingency and wartime tasking.

(2) Non-exempt activities.

(a) Forces identified as available T+91 and beyond.

(b) All other units not in direct support of exempted units, functions or activities.

(c) Technical intelligence information collection, analysis and dissemination functions not in direct support of exempted activities (e.g., general political and economic intelligence unrelated to ongoing or contingency military operations, support of acquisition programs, support to operational test and evaluation, intelligence policy security promulgation and development, systems development and standards, policy and architecture).

(d) Training exercises not essential to the execution of wartime, contingency or OPLAN tasking.

(e) Basic, skill, and qualification training which will obligate current year funds.

(3) Explanatory notes.

(a) Post deployment units will minimize all operations which will obligate current year funds required to prepare for follow-on operational or OPLAN tasking.

(b) Operational exercises are those exercises required to prepare units for operational, contingency or wartime taskings.

(c) Training exercises are those exercises designed to improve skill and task proficiency but not necessarily oriented towards specific operational, contingency or wartime taskings.

b. Military and Civilian Personnel.

(1) Exempt activities.

(a) All active duty military personnel and all reservists on active duty. Duty assignments may be changed by local commanders to supplement exempt activities.

(b) Reserve Components personnel in direct support of exempted activities.

(c) National Guard and Reserve military technicians in units identified as available T+90 or less.

(d) Senate-confirmed officials appointed by the President and their immediate office personnel.

(e) Civilian personnel in direct support of exempted activities, and additional civilian personnel designated by the Secretary of Defense.

(f) Minimum number of personnelists to support exempt personnel once orderly shutdown has occurred.

(g) Civilians paid through prior appropriations, revolving, trust or nonappropriated funds.

(h) Support to international special events or commitments, as authorized by the Secretary of Defense.

(i) Host nation funded foreign national employees whose functions support exempt activities.

(j) Foreign national employees governed by country-to-country agreements that prohibit furloughs.

(2) Non-exempt activities.

(a) Civilian personnel (including host nation funded foreign national employees) not in direct support of exempted activities.

(b) Military Personnel Selection Boards and Administrative Boards.

(c) Civilian personnel whose salaries are paid with annual appropriations and later reimbursed from another source (e.g., the Foreign Military Sales Trust Fund).

(3) Explanatory notes.

(a) Active duty military personnel and active duty reservists shall report for duty pursuant to Title 37, U.S. Code. Civilian personnel shall also report for duty unless specifically directed to do otherwise.

(b) Following a lapse in appropriations, a minimum number of essential civilian personnel will be retained to execute an orderly shutdown within a reasonable timeframe and may continue to work until the shutdown is completed.

(c) Civilian personnel paid from prior year appropriations may continue to work until prior year balances are exhausted.

(d) Foreign national employees paid by the host nation are subject to the same criteria for furlough as United States employees, depending on whether their functions support exempt activities. However, the host nation may elect to continue to pay the employees, even if they are furloughed.

(e) Foreign national employees paid with U.S. funds are also subject to the same furlough criteria as United States employees. However, their terms of employment may be governed by a Status of Forces agreement between the United States and the host nation, which means that their pay may not be controlled by U.S. laws. Depending on the terms of the agreement, it may be necessary to pay those employees, even if they are furloughed.

c. Protection of Life and Property.

(1) Exempt activities.

(a) Functions or activities to the extent necessary to protect life and property and for response to emergencies, including fire protection, physical security, law enforcement/counter terrorism, intelligence support to terrorist threat warnings, Explosive Ordnance Disposal operations, emergency salvage, subsafe program, nuclear reactor safety and security, air traffic control and harbor control, search and rescue, utilities, housing and food services for military personnel, and trash removal.

(b) Emergency repair and non-deferrable maintenance to utilities, power distribution system buildings or other real property including BEQ, BOQ and housing for military personnel.

(c) Repair of equipment needed to support exempted services, including fire trucks, medical emergency vehicles, police vehicles, or material handling vehicles.

(d) Voice and data communications that support exempt activities.

(e) Civilian personnel directly involved in the exempted activities, including security guards, individuals to monitor and maintain alarms and control systems, utilities, and emergency services. This category includes the National Communications System personnel who staff the National Coordinating Center for Telecommunications and civilian personnel at the White House Communications Center.

(f) Minimum number of personnel for receipt and safekeeping of material delivered during shutdown.

(g) Minimum number of personnel to control hazardous material and monitor existing environmental remediations.



(h) Minimum number of personnel required to perform statutory responsibilities of the Defense Mapping Agency for marine and aeronautical navigation.

(i) Security maintenance and ADP operators associated with protecting property at the Defense Clearance and Investigations Index facility that supports DoD law enforcement efforts.

(j) Oil spill and hazardous waste cleanup, environmental remediation, and pest control, only to the extent necessary to prevent imminent danger to life or property.

(k) Civilian Army Corps of Engineer personnel with responsibilities to local and state governments that involve imminent threats to life or property.

(l) Civilian specialists responsible for safe storage or transportation of hazardous materials, including ammunition, chemical munitions, photographic processing operations.

(m) USD(A&T) personnel responsible for providing emergency reporting response and input to the National Response Team and coordinating with EPA and other agencies on fire, safety, occupational health, environmental, explosive safety for vector borne disease management.

(2) Non-exempt activities. Environmental activities which are not necessary to prevent imminent threat to life or property.

(3) Explanatory notes.

(a) No new remediation activities, except those exempted above, may be started.

(b) Unit commanders may, on their authority, require return to work of civilian personnel in the event of developments (natural disasters, accidents, etc.) that pose an imminent danger to life or property.

d. ADP and Communications.

(1) Exempt activities.

(a) ADP centers, including megacenters, supporting exempt functions with a minimum number of civilian personnel.

(b) Operation and maintenance of command, control and communications systems.

(c) Telecommunications centers and phone switches on installations.

(d) Secure conference capability at military command centers.

(2) Non-exempt activities. Personnel and activities associated with planning and acquisition of future ADP, telecommunications, and command and control systems.

e. DOD Medical and Dental Care.

(1) Exempt activities.

(a) Direct patient care personnel in DoD facilities (including Uniformed Service Treatment Facilities) including doctors, nurses, medical technicians, dentists, pharmacists, and essential support personnel (cooks, custodians, etc.).

(b) Contingency planning in major medical command headquarters.

(c) All inpatient care in Medical Treatment Facilities.

(d) All acute and emergency outpatient care in DoD medical and dental facilities.

(e) DoD health care contracts for inpatient care/acute outpatient care, including medical supplies.

(f) Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) and TRICARE contracts.

(g) Veterinary services that support exempted activities (e.g., food supply and service inspections).

(h) Minimum civilian personnel necessary to provide certification of eligibility for health care benefits.

(2) Non-exempt activities.

(a) Civilian administrative staff in Medical Treatment Facilities and dental facilities not involved in exempted patient care.

(b) Civilian personnel in major medical command headquarters who are not involved in contingency planning.

(c) Elective surgery in DoD Medical Treatment Facilities for non-active duty personnel (both CONUS and OCONUS).

(d) Routine physicals, preventive dental procedures, or other routine medical procedures (including vaccinations) in DoD Medical Treatment Facilities for non-active duty personnel (both CONUS and OCONUS).

(e) Persian Gulf Illness Hotlines.

e. Training and Education.

(1) Exempt activities.

(a) Educational activities deemed necessary for immediate support of exempted activities.

(b) Educational activities not otherwise exempted if undertaken by active duty military personnel for other active duty military personnel only.

(c) Installation education centers may continue to operate using borrowed military manpower so that private agencies such as colleges and universities may provide courses purchased with previously available funding.

(d) Department of Defense Dependents Schools and Section 6 Schools.

(2) Non-exempt activities.

(a) At installation education centers, new registrations which require current year funding will not be conducted.

(b) Education other than for exempted activities.

(c) Training exercises not essential to the execution of wartime, contingency or OPLAN tasking.

(d) Basic, skill, and qualification training which will obligate current year funds.

(3) Explanatory notes.

(a) Training and education of active duty military personnel, reserve component personnel, and military technicians is governed by the National Security exemption. Both active duty and National Guard or Reserve personnel will cease training unless their unit is providing direct support to ongoing exempt activities. All military personnel performing non-exempt training in a TDY status should return to their home station as expeditiously as possible within carrier availability. This policy will result in additional costs and waste, however, under the law, no other option is available.

(b) Training and education of civilian personnel in support of exempt activities is permitted. All other civilian training will be terminated. Civilians participating in non-exempt training or education will be furloughed and civilian personnel on TDY for such purposes should be returned to their home stations as part of the orderly shutdown of operations.

(c) Civilian instructors at military schools, training centers, and military academies will be subject to the same furlough criteria as other employees. In other words, if the activity has not been identified as part of the National Security exemption, or as a protection of life and property exemption, the instructors will be furloughed. However, the schools may continue to operate, if feasible, using military instructors and borrowed military personnel.

f. Recruiting.

(1) Exempt activities.

(a) Military recruiters may continue to staff recruiting offices and may contact prospective recruits if administrative office expenses have been paid with prior year funding.

(b) Military staff of Military Enlistment Processing Stations (MEPS) will report for duty.

(c) Recruiting advertising purchased with prior year funds will continue to be utilized.

(2) Non-exempt activities.

(a) Official vehicles cannot be used to transport recruiters or prospective recruits.

(b) New enlistment contracts cannot be executed.

(c) New recruits are not permitted to report to MEPS, or to report for induction.

(d) Civilian administrative staff and contract physicians assigned to MEPS will not report for duty.

(e) Recruiting advertising using current year funding will not be utilized.

(3) Explanatory notes. The Secretary of Defense reserves the right to reverse the above guidance and resume normal recruiting activities after a lapse of 5 working days to avoid longer term disruption that would impair readiness. Resumption of recruiting activity is not automatic after 5 days and may be implemented only by direction of the Secretary of Defense.

g. Permanent Change of Station (PCS) and Temporary Duty (TDY).

(1) Exempt activities.

(a) PCS moves funded with prior year funds for active duty, reserve, and civilian personnel may continue till completion and will be paid.

(b) TDY travel for active duty, reserve, and civilian personnel funded and completed in the previous fiscal year will be paid.

(c) PCS moves and TDY travel for active duty, reserve, and civilian personnel engaged in exempted activities may be authorized during a lapse in appropriations, but payment cannot be made until appropriations become available.

(d) PCS moves of military personnel terminating their service and returning to their home of record will continue to be processed as part of the orderly shutdown of operations.

(e) Travel funded from .0015 contingency limitation (for USACIDC mission travel) or .0017 extraordinary military expenses limitation.

(f) Government transportation tickets funded with prior year appropriations will remain valid.

(g) Travel advances may be paid only if the travel order was approved during the previous fiscal year or a previous CRA period.

(2) Non-exempt activities. PCS moves and TDY travel for active duty, reserve, and civilian personnel engaged in non-exempt activities during a lapse in appropriations will not be authorized. Non-exempt personnel on TDY will return to home station as part of shutdown procedures.

(3) Explanatory notes. All personnel performing official travel that does not support exempt activities should return to their home station as expeditiously as possible within carrier availability. This policy will result in additional costs and waste, however, under the law, no other option is available. Obligations are permitted for both TDY and PCS requirements in support of exempt activities; however, no disbursements are authorized. Under this policy, payment of travel advances or reimbursement of expenses for submitted travel vouchers will not be disbursed. While government charge cards may be used to incur obligations in support of exempt activities, the traveler is responsible for payment of the charge card bill when it is presented. Personnel should also be aware that government charge card privileges may be suspended in the event of a shutdown.

h. Army Working Capital Fund (AWCF) and Other Revolving Funds.

(1) Exempt activities.

(a) AWCF/revolving fund activities may continue to operate until cash reserves are exhausted.

(b) When cash reserves are exhausted, AWCF/other revolving fund activities in direct support of exempted activities must continue.

(c) AWCF activities may continue to accept orders financed with previously available funds, or unfunded orders from exempt organizations. Unfunded orders will be posted to accounts receivable, but will not actually be billed until appropriations are enacted.

(d) BRAC activities may continue to operate until unobligated balances are exhausted.

(2) Non-exempt activities. AWCF/revolving fund activities which provide support to non-exempt activities.

(3) Explanatory notes.

(a) Revolving funds may continue to operate utilizing prior year unobligated balances.

(b) Prudent management actions should be taken to sustain operations and minimize operational impact, including: delay of training, minimal travel, reduction in supplies, and other actions consistent with management objectives.

(c) Inter-AWCF billings will be suspended.

(d) Current year ledger transactions to military personnel accounts will be suspended.

(e) Managers may perform advance billing.

i. Contracting Activities.

(1) Exempt activities.

(a) Contracts for functions that would otherwise be exempt if performed by government employees.

(b) New contracts for exempted activities.

(c) Administration of contracts for exempt activities, including combat support and combat service support.

(d) Receipt, recordation and safe storage of material shipped and/or delivered under existing contracts.

(e) Contract payment, so long as DFAS remains operational pursuant to AWCF instructions and a valid invoice or bill, properly certified for payment, is presented.

(2) Non-exempt activities.

(a) Administration of existing contracts for non-exempt activities.

(b) Negotiation, preparation and execution of new contracts for non-exempt activities.

(c) Supervision and inspection of ongoing construction contracts, unless the civilian salaries are paid from prior year appropriations.

(d) Contract reconciliation and closeout procedures.

(3) Explanatory notes.

(a) Contracts funded with current year funds, that do not support exempt activities, will be terminated when available funding has been exhausted. Contract terms should be structured to allow for orderly termination of the contract in the event of a funding gap, and for reinstatement of the contract when funds become available. Contracting officers should work with contractors to minimize the impact of a lapse in funding. It should be understood that termination of a contract due to a funding gap is beyond the control of the contracting officer or contracting activity, and that contractor protests of such a termination are not generally considered to be justified.

(b) For contract actions, options, and modifications, not within the scope of the original contract, in direct support of exempt activities, the contracting officer will cite one of three authorities for these obligations: (1) the Constitution as interpreted by Attorney General opinions for general support of National Security operations, (2) 41 U.S.C. 11 for obligations covered by the Feed and Forage Act, and (3) 31 U.S.C. 1342 for obligations for protection of life and property against imminent danger.

j. Legal Activities.

(1) Exempt activities.

(a) Litigation activities associated with imminent legal action, only so long as courts and administrative boards remain in session after a lapse in appropriations.

(b) Legal support for exempted activities.

(2) Non-exempt activities. All other legal activities.

k. Audit and Investigation Community.

(1) Exempt activities.

(a) Personnel participating in an ongoing criminal investigation or working undercover.

(b) Personnel required to support an emergent criminal investigation if authorized by the Secretary of Defense.

(2) Non-exempt activities. All other members of the audit and investigation community.

l. Trust Funds.

(1) Exempt activities.

(a) Trust funds conducting exempted activities (for example, retirement homes).

(b) Trust funds with management activities routinely paid from trust fund resources.

(c) Trust funds managed by Defense Finance and Accounting Service (DFAS) so long as DFAS operates.

(d) Trust funds managed by borrowed military personnel.

(2) Non-exempt activities. All other trust fund activities.

m. Morale Welfare & Recreation/Non-Appropriated Funds.

(1) Exempt activities.

(a) Activities funded entirely through NAF sources.

(b) Child care activities.

(c) MWR activities operated by NAF personnel, or those using borrowed military personnel to replace civilian employees paid by appropriated funds.

(2) Non-exempt activities. All MWR activities staffed by civilian employees paid from appropriated funds who are not replaced using borrowed military manpower.

n. Financial Management.

(1) Exempt activities.

(a) Minimum essential personnel needed to record new obligations incurred in the performance of exempt functions/operations, and to manage AWCF cash.

(b) Obligation adjustment and reallocation of prior year unobligated funds in support of exempt functions/operations.

(2) Non-exempt activities.

(a) Preparation of budget submission data.

(b) Closing of accounts that expired in the previous fiscal year.

(c) Preparation of year-end closing statements and financial reports for the previous fiscal year.

(d) Investigation of Anti-deficiency Act violations.

(e) Research and correction of problem disbursements.

(f) Adjustments to prior year funds related to programs and contracts that do not support exempt functions/operations.

## CHAPTER 4 -- ENACTMENT OF APPROPRIATIONS

1. General. Once the appropriations acts (or a yearlong CRA incorporating the acts) are passed by the Congress and signed by the President, actions are initiated to release the full funding provided by the acts as quickly as possible. Although documentation is not immediately made available, obligation and disbursement authority at the level contained in the approved appropriations acts may be assumed to be available on the effective date of the acts. Documentation is prepared as quickly as possible to "catch up" with the enacted authority. Program authority, however, may not be assumed prior to receipt of the DoD(C) program release document.

2. Army Operations Under Enacted Appropriations. Obligations and disbursements are permitted up to the level contained in the appropriations acts, subject to the amounts released for execution. Appropriation and authorization language, as well as committee and conference report language, must be reviewed to determine any restrictions imposed upon execution of Army programs, as well as any Congressionally directed limitations. Upon enactment of appropriations, CRA restrictions on new starts, new multiyear procurements, and expansion of ongoing programs are lifted. Execution of programs will be conducted subject to any Congressionally imposed restrictions and limitations. The general rule in interpretation of legal and Congressional language is that provisions imposed by law must be followed, while provisions contained in language should be followed, or risk incurring the displeasure of the Congress, which may affect future actions.

3. Execution of New and Prior Year Unexpired Funding.

a. Obligation authority for new funding is granted at the level contained in the approved appropriations acts, to the extent that approved program has been released by HQDA for execution. Upon enactment of appropriations, and subject to review of the language contained in the acts and committee and conference reports, new starts, new multi-year procurements, and program expansion may be initiated.

b. Funded and automatic reimbursable orders may be accepted consistent with receipt of current year funded reimbursable authority.

c. Prior year unexpired funds remain available for obligation and disbursement, and may be obligated without restriction, for the same purposes for which the funds were originally appropriated.

4. Issuance and Control of Funds.

a. Before funding is issued under an appropriations act, three types of authority must be available.

(1) Obligation Authority. Apportionment of funds, which provides the authority to obligate, must be provided by OMB. Funds are apportioned by OMB based on the appropriations acts and Army's and DoD(C)'s requests. Within five working days of enactment of appropriations, Army submits to DoD(C) Apportionment and Reapportionment Requests (SF 132) for all new appropriations for the full amount contained in the acts. The requests are forwarded to OMB for approval. Normally the approval process takes two to four weeks.

(2) Disbursement Authority. A warrant is prepared by the Department of the Treasury, which provides disbursement authority for all appropriations included in the enacted appropriation legislation. The warrant is not prepared until the final printed acts are available; normally this takes three to four weeks. The warrant is backdated to reflect the date of enactment of the final appropriations acts, making the authority retroactive to that date.

(3) Program Authority. Program release documents are provided by DoD(C) for all new appropriations. Programs are generally approved for the full amount contained in the acts. However, DoD(C) may withhold all or part of a given program for a variety of reasons (appropriated-not-authorized, congressional



requirements for reports, etc.). Program release documents are generally made available one to two weeks after enactment of the final appropriations acts.

b. Appropriation warrants, apportionment documents and program releases are loaded into PBAS as soon as the approved documents are received by Army. Amounts apportioned under CRA are adjusted to reflect final Congressional action.

5. Obligation and Disbursement of Funds. Obligation of new funds may be incurred up to the amounts provided in PBAS. Disbursements may be made on obligations incurred during previous fiscal years or previous CRA periods, or after enactment of appropriations. For prior year appropriations, obligations and disbursements may continue to be incurred up to the amount of available obligation authority.

## CHAPTER 5 -- DEFINITIONS

**Apportionment.** A distribution by the Office of Management and Budget of amounts available for obligation in appropriation or fund accounts of the Executive Branch. The distribution makes amounts available on the basis of time periods, programs, activities, projects, objects or combinations thereof. The apportionment system is intended to achieve an effective and orderly use of funds.

**Appropriation Warrant.** The document which establishes, by appropriation symbol, the individual amounts appropriated by Congress, and provides authority to disburse funds. The warrant is the basis for recording appropriations on the books of the Treasury, the Departments and agencies. Appropriation warrants are prepared and signed by a representative of the Department of the Treasury. Temporary warrants issued pursuant to legislation continuing appropriations until enactment of applicable appropriation acts are prepared by the Department, submitted to the Treasury and are countersigned by a representative of the GAO on behalf of the Comptroller General of the United States. Final appropriation warrants for single- and multi-year appropriations are issued in the full amounts stated in the appropriations act.

**Appropriations Act.** An act of the Congress that permits Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. An appropriation act is the most common means of providing budget authority. Appropriations do not represent cash actually set aside in the Treasury for purposes specified in the appropriation act; they represent limitations of amounts which agencies may obligate during the time period specified in the respective appropriation acts.

**Authorization Act.** An act of the Congress that authorizes Federal agencies to execute specified programs. The Defense Authorization Act is used in conjunction with the DoD and Military Construction Appropriations Acts to determine the level at which programs may be executed.

**Commitment.** A firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The recording of a commitment against an allotment reserves these funds for future obligations.

**Continuing Resolution Authority.** Legislation enacted by the Congress to provide budget authority for specific ongoing activities in cases where the regular fiscal year appropriations for such activities have not yet been enacted. The language of the continuing resolution specifies a maximum rate at which the agency may incur obligations, which is usually based on the lowest of the prior year rate of execution, the President's Budget request, or an appropriation bill passed by either or both Houses of the Congress.

**Disbursements.** The amount of checks issued, cash, or other payments made, less refunds received. Net disbursements represent gross disbursements less income collected and credited to the appropriation or fund account, such as amounts received for goods and services provided.

**Initiation.** An unofficial administrative reservation of funds which authorizes preliminary negotiations in anticipation of the creation of an obligation, but requires approval from the official responsible for administrative control of funds prior to incurrence of a commitment or obligation. An initiation differs from a commitment which authorizes the subsequent creation of an obligation without further approval from the official responsible for fund control.

**New Start.** Initiation, resumption, or continuation of any project, subproject, activity, budget activity, program element, and subprogram within a program element for which an appropriation, fund, or other authority was not available during the previous fiscal year.

**Obligations.** Amounts of orders placed, contracts awarded, services rendered, or other commitments made by Federal agencies during a given period, which will require disbursements during the same or some future period.

Program Release. Program release documents are provided by DoD(C) for all new appropriations. Program authority is provided at differing levels, depending on the appropriation involved. For the Military Personnel and Operation and Maintenance appropriations, program authority is issued at the total appropriation level; for the Procurement accounts, at the Budget Line Item level; for RDTE, at the program element/project level; and for the Military Construction accounts, at the project level. Programs are generally approved for the full amount contained in the appropriations and authorization acts. However, DoD(C) may withhold all or part of a given program.